



# Loan Programs

## ***Lender Benefits***

- *Provides guaranty to lines of credit*
- *Low cost*
- *Bank can charge a reasonable servicing fee for managing the line*

## ***Required Forms***

- *Standard 7(a) loan package*
- *Month to month cash flow*
- *SBA Form AB-4 and AB-4I (for small asset based line of credit only)*

*Forms may be located at  
[www.sba.gov/banking](http://www.sba.gov/banking).*

## **For More Information**

- **SBA Montana District Office:**  
406-441-1081
- Fax: 406-441-1098
- E-mail: [Linda.kindrick@sba.gov](mailto:Linda.kindrick@sba.gov)
- TDD: 406-441-1097
- District Home Page:  
[www.sba.gov/mt](http://www.sba.gov/mt)

All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

(05/20/04)

## **CAPLine**

- **Seasonal**
- **Contracts**
- **Construction (spec home financing qualifies)**
- **Asset Base Loan size same as 7(a)**
  - **Standard Asset Base (more than \$200.0M)**
  - **Small Assets Base (\$200.0M and below)**

## **Guaranty**

- \$150.0M loan 85% guaranty
- Loan greater than \$150.0M to \$1.3MM 75% guaranty

## **Guaranty Fee**

- Loan \$150.0M and less 1% guaranty fee
- Loans greater than \$150.0M up to \$700.0M 2.5% guaranty fee
- Loan greater than \$700.0M 3.5% guaranty fee
- Additional .25% guarantee fee on guarantee portion of loan to exceeds \$1,0MM if loan maturity more than 12 months (expires 10/1/04)
- Any size loan with a maturity less than one year .25% guaranty fee

## **Rates**

- 2.25% above prime if maturity is more than 1 year

## **Maturities**

- 1 to 5 years

## **Collateral**

- Must have first position on inventory and accounts receivable or direct assignment of proceeds, in the event of contract financing